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25X1

30 March 1971

[redacted] Chief  
Operations Group

FOIAB3B1



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Dear Jack:

Subject: [redacted]

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Since your visit here last month we have set about the task of pinning down principal cost factors involved in moving the [redacted] operation from our present location to the [redacted]

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I believe we now have adequate information upon which Headquarters can base a realistic appraisal of the fiscal pro's and con's of such a move. The cost data summarized below, dealing with building modifications as per Engineering Staff's recommendations, was obtained from [redacted] Chief of Plans and Operations, [redacted] Facilities Engineer's office. These estimates, according to [redacted] are probably on the high side but accurate enough for an "order-of-magnitude" study. Floor covering estimates were furnished by [redacted] the only floor covering contractor of any consequence in this area. The estimate for physically moving the [redacted] furnishings and equipment was provided by the North [redacted] office in the [redacted] Two other moving estimates are pending.

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#### Building Modification and Moving

Partition between storage area and admin office;  
cement block with door

\$ 500

Operations room partitions; frame with acoustical  
material facing

750

Ladies room; includes drain, water extension, two  
toilets, lavatory and mirror

1,700

Kitchen; includes drain, water extension, sink,  
stove hood, and venting to building exterior

1,100

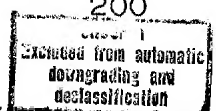
Floor covering, approximately 2,500 square feet  
at \$7 per square yard installed

1,900

Modification of air conditioning ducting

200

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Miscellaneous painting	25X1	150
Moving from [REDACTED]		<u>800</u>
Total		\$7,100

The other major aspect of the relocation cost picture is, of course, support. While some support item costs will remain roughly the same, or in a few cases will be less, several basic factors, particularly utilities, will require a considerable increase in support expenditures. Electricity, for instance, which now runs about \$4,000 per year, might cost as much as \$8,000 - \$10,000 at the new location, due primarily to the heavy load of the air conditioning system plus other factors inherent in the operation of a vastly larger operation building. Water and sewage costs at [REDACTED] are estimated to run possibly as high as \$4,000 per year, again due in large measure to the demands of the air conditioning system. No charges are made for these services at the present location. Routine maintenance of the [REDACTED] building and its emergency power and air conditioning plants are additional areas where costs will increase significantly. 25X1

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Totalling the specific budget line items for support in which there would be an obvious difference between costs at the two sites, it appears that the operation might cost \$12,000 - \$15,000 per year at [REDACTED] as opposed to approximately \$7,500 at [REDACTED]

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There would obviously be expenses involved in the relocation project, such as the cost of coaxial cable, wire, and other hardware items required for the installation of electronic and other technical equipment. Also, while a new operation could be undertaken with the [REDACTED] present inventory of equipment, additional multicouplers would be required to make full use of the [REDACTED] complex. Expansion of shop facilities would also be highly desirable, and at least some sort of sheltered area for the [REDACTED] vehicles should also be considered. FOIAB3B1

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Viewing the overall relocation picture from the standpoint of basic required expenditures and future expansion or technical improvement possibilities, it would appear that [REDACTED] is confronted with an excellent opportunity to notably enhance its [REDACTED] operation at a very reasonable cost. In place of the present operations building and site, which because of their obvious inadequacies were considered as a "temporary" arrangement at the time of acquisition 8 or 9 years ago, the [REDACTED] would be taking over a spacious, modern structure designed to operational specifications similar to our own and gaining access to an

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Frankly, Jack, looking at this project from here on the ground, it's hard to see any serious drawbacks. Obviously the move would cost us some money both in terms of initial outlay and continuing support expenditures, but in this regard we should keep in mind the very strong probability that within the next couple of years we will have to replace the [redacted] existing emergency generator and central air conditioning system at an estimated combined cost of \$14,000 - \$16,000. These items were included in the [redacted] last 5-year fiscal projection. FOIA B3B1

In brief, the move to [redacted] appears to me to be very much worthwhile of serious consideration. Incidentally, the present building occupants at [redacted] will probably meet their 1 May deactivation date without difficulty. 25X1

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Sincerely,

[redacted]

Chief, [redacted]

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